

20 April 2006

Australian Stock Exchange Limited
Companies Announcement Office
Electronic Lodgement System

Dear Sir,

ANNOUNCEMENT TO ASX

**DRILLING REPORT: HARPOONO #3
PEL 113, COOPER / EROMANGA BASIN, SA**

Stuart Petroleum Limited advises that the Harpoono #3 Murta oil well has run Drill Stem Test #2 from 1161m to 1164m in the Murta Formation and recovered 25 bbl of water and 1 bbl of oil. 7" production casing will be run and the well suspended as a future injection well for pressure maintenance to increase oil recovery from the Harpoono field.

This will be the final release regarding the drilling of Harpoono #3.

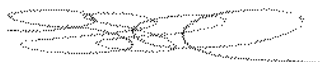
The status of Harpoono #3 at 06:00 hrs (CST) on 20 April 2006 was:

Location:	PEL 113
Planned Total Depth:	1480 metres (TVD)
Current depth:	1490 metres
Operation:	Laying out test tools
Spud:	11 April at 20:30 hrs

Participants in the Harpoono #3 well are:

Stuart Petroleum Limited (Operator) 67%
Beach Petroleum Limited. 33%

Yours faithfully,



Tino Guglielmo
Managing Director

